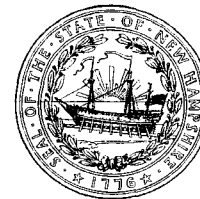




The State of New Hampshire
Department of Environmental Services



Michael P. Nolin
Commissioner

June 9, 2006

Mr. Michael Barrett
J.H. Dunning Corporation
1 Dunning Lane
North Walpole, New Hampshire 03069

CERTIFIED MAIL (7005 1160 0004 7467 6857)
RETURN-RECEIPT REQUESTED
LETTER OF DEFICIENCY
No. ARD 06-014
(Sta.S)

Dear Mr. Barrett:

On April 11, 2006, the New Hampshire Department of Environmental Services, Air Resources Division ("DES") conducted a compliance inspection at J.H. Dunning Corporation ("Dunning") at 1 Dunning Lane in North Walpole. The purpose of the inspection was to determine Dunning's compliance status with the N.H. Administrative Rules Env-A 100 *et seq.*, NH Rules Governing the Control of Air Pollution, and State Permit to Operate FP-S-0013 ("the Permit"), issued on September 16, 2005.

As a result of the inspection, this Letter of Deficiency ("LOD") is being sent to identify the following deficiencies:

1. Env-A 907.01, *General Reporting Requirements*, requires the owner or operator of a source or device that requires a permit to submit an annual emissions report each year by April 15. Dunning has not submitted an annual emission report for calendar year 2004, which was due by April 15, 2005.
2. Env-A 907.01(b)(4) requires an owner or operator to speciate the source's actual emissions by individual air pollutant in the annual emissions report. Dunning reported its actual emissions for calendar year 2005 but did not speciate the pollutants.
3. Condition IX.E. of the Permit requires Dunning to maintain a 12-month running total record of Facility-wide emissions of volatile organic compounds ("VOC") to demonstrate that it is below the VOC Reasonably Available Control Technology ("RACT") threshold of 25 tons per year. Dunning is not maintaining a 12-month running total of VOC emissions.
4. Env-A 705, *Emission-Based Fee*, requires Dunning to submit annual emission-based fees as calculated pursuant to Env-A 705.03. Dunning has not submitted emission-based fees for calendar year 2004 emissions. In addition, Dunning did not include payment for its acetone emissions in its calendar year 2005 emission-based fees. While acetone is no longer considered a VOC in New Hampshire, it is still listed as a regulated toxic air pollutant pursuant to Env-A 1400, *Regulated Toxic Air Pollutants*.

DES believes that the deficiencies can be resolved by Dunning taking the following actions:

- i. By **July 17, 2006**, submit to DES \$994.44 for calendar year 2004 emission-based fees.
- ii. By **July 17, 2006**, submit to DES \$242.52 for fees for calendar year 2005 acetone emissions.
- iii. By **July 17, 2006**, implement a system for maintaining a 12-month running total of VOC emissions and report on such implementation to DES.


In the event compliance is not achieved within the time periods indicated, DES may initiate formal action against Dunning, including issuing an order requiring the deficiency to be corrected, and/or referring this matter to the NH Department of Justice.

Please address all information to Barbara Hoffman, at the following address:

NHDES Air Resources Division
Enforcement Section
29 Hazen Drive
P.O. Box 95
Concord, NH 03302-0095

If you have questions regarding compliance with Env-A 100 *et seq.* or require further information, please contact Barbara Hoffman at (603) 271-7874, Air Resources Division, Compliance Bureau. A current copy of the Air Resource Division rules can be obtained from the DES website at <http://www.des.nh.gov/rules/air.htm> or by contacting the Public Information Center at (603) 271-2975.

Sincerely,


for Pamela G. Monroe
Compliance Bureau Administrator
Air Resources Division

PGM/blh

cc: R. Kurowski, EPA Region 1
G. Hamel, DES Legal Unit Administrator
Whitney Aldrich, Chair, Walpole Board of Selectmen
AFS # 3300500041